

2400 Department of Managed Health Care

The mission of the Department of Managed Health Care is to help California consumers resolve problems with their Health Maintenance Organizations (HMOs) and to ensure a better, more solvent and stable managed health care system through:

- Administration and enforcement of California's HMO patient rights laws.
- Operating the 24-hour-a-day HMO Help Center.
- Licensing and overseeing all HMOs in the state.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
30 Health Plan Program	200.0	217.5	217.5	\$40,560	\$44,132	\$44,253
50.01 Administration	78.5	79.8	79.8	9,201	10,084	10,154
50.02 Distributed Administration	-	-	-	-9,201	-10,084	-10,154
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	278.5	297.3	297.3	\$40,560	\$44,132	\$44,253
FUNDING				2006-07*	2007-08*	2008-09*
0933 Managed Care Fund				\$40,350	\$43,925	\$44,044
0995 Reimbursements				210	207	209
TOTALS, EXPENDITURES, ALL FUNDS				\$40,560	\$44,132	\$44,253

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Health and Safety Code Sections 1340-1399.64 inclusive; California Code of Regulations, Title 28, Sections 1300.43-1300.826.

DETAILED BUDGET ADJUSTMENTS

	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Baseline Adjustment Descriptions						
• Employee Compensation/Retirement Adjustments	\$-	\$640	-	\$-	\$711	-
• Office of Health Plan Oversight Workload	-	-	-	-	196	1.9
• Other Workload Adjustments	-	38	-	-	-108	-1.9
Totals, Baseline Adjustments	\$-	\$678	-	\$-	\$799	-
TOTALS, BUDGET ADJUSTMENTS	\$-	\$678	-	\$-	\$799	-

PROGRAM DESCRIPTIONS (Program Objectives Statement)

30 - HEALTH PLAN PROGRAM

The Health Plan Program's objective is to assure the accessibility and availability of medically necessary health care delivered to the public with appropriate quality-of-care oversight and through financially sound managed care plans. The program licenses health care service plans, conducts routine financial and medical surveys, and operates a consumer services toll-free complaint line (1-888-HMO-2219). Within this program, the Office of the Patient Advocate helps educate consumers about their rights and responsibilities.

50 - ADMINISTRATION

The Administration Program provides services essential for the administration of the Department and its programs, including executive, administrative, legal, legislative, policy, and information support.

DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

		2006-07*	2007-08*	2008-09*
PROGRAM REQUIREMENTS				
30 HEALTH PLAN PROGRAM	State Operations:			

* Dollars in thousands, except in Salary Range.

2400 Department of Managed Health Care - Continued

	2006-07*	2007-08*	2008-09*
0933 Managed Care Fund	\$40,350	\$43,925	\$44,044
0995 Reimbursements	210	207	209
Totals, State Operations	\$40,560	\$44,132	\$44,253
ELEMENT REQUIREMENTS			
30.10 Health Care Service Plans	\$38,192	\$41,712	\$41,797
State Operations:			
0933 Managed Care Fund	37,982	41,505	41,588
0995 Reimbursements	210	207	209
30.20 Office of Patient Advocate	\$2,368	\$2,420	\$2,456
State Operations:			
0933 Managed Care Fund	2,368	2,420	2,456
TOTALS, EXPENDITURES			
State Operations	40,560	44,132	44,253
Totals, Expenditures	\$40,560	\$44,132	\$44,253

EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	278.5	313.0	311.0	\$18,254	\$20,518	\$20,809
Total Adjustments	-	-	2.0	-	525	653
Estimated Salary Savings	-	-15.7	-15.7	-	-1,050	-1,071
Net Totals, Salaries and Wages	278.5	297.3	297.3	\$18,254	\$19,993	\$20,391
Staff Benefits	-	-	-	5,796	7,236	6,933
Totals, Personal Services	278.5	297.3	297.3	\$24,050	\$27,229	\$27,324
OPERATING EXPENSES AND EQUIPMENT				\$16,510	\$16,903	\$16,929
TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)				\$40,560	\$44,132	\$44,253

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2006-07*	2007-08*	2008-09*
0933 Managed Care Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$39,001	\$40,853	\$41,588
Allocation for employee compensation	1,612	671	-
Adjustment per Section 3.60	181	-57	-
Adjustment per Section 15.25	-	38	-
002 Budget Act appropriation	2,314	2,394	2,456
Allocation for employee compensation	47	28	-
Adjustment per Section 3.60	7	-2	-
Totals Available	\$43,162	\$43,925	\$44,044
Unexpended balance, estimated savings	-2,812	-	-
TOTALS, EXPENDITURES	\$40,350	\$43,925	\$44,044
0995 Reimbursements			
APPROPRIATIONS			
Reimbursements	\$210	\$207	\$209
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$40,560	\$44,132	\$44,253

* Dollars in thousands, except in Salary Range.

2400 Department of Managed Health Care - Continued

FUND CONDITION STATEMENTS

	2006-07*	2007-08*	2008-09*
0933 Managed Care Fund ⁸			
BEGINNING BALANCE	\$6,438	\$8,441	\$2,733
Prior year adjustments	507	-	-
Adjusted Beginning Balance	\$6,945	\$8,441	\$2,733
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125700 Other Regulatory Licenses and Permits	35,704	34,843	40,139
142500 Miscellaneous Services to the Public	1	1	1
150300 Income From Surplus Money Investments	1,375	1,031	1,031
161000 Escheat of Unclaimed Checks & Warrants	2	1	1
161900 Other Revenue - Cost Recoveries	885	900	900
164300 Penalty Assessments	3,907	1,483	1,483
Total Revenues, Transfers, and Other Adjustments	\$41,874	\$38,259	\$43,555
Total Resources	\$48,819	\$46,700	\$46,288
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0840 State Controller (State Operations)	28	42	32
2400 Department of Managed Health Care (State Operations)	40,350	43,925	44,044
Total Expenditures and Expenditure Adjustments	\$40,378	\$43,967	\$44,076
FUND BALANCE	\$8,441	\$2,733	\$2,212
Reserve for economic uncertainties	8,441	2,733	2,212

CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
Totals, Authorized Positions	278.5	313.0	311.0	\$18,254	\$20,518	\$20,809
Salary Adjustments	-	-	-	-	525	531
Proposed New Positions:				Salary Range		
Health Program Spec I (1.0 LT pos exp 6-30-09)	-	-	1.0	4,833-5,874	-	64
Assoc Health Program Adviser (1.0 LT pos exp 6-30-09)	-	-	1.0	4,400-5,348	-	58
Totals, Proposed New Positions	-	-	2.0	\$-	\$-	\$122
Total Adjustments	-	-	2.0	\$-	\$525	\$653
TOTALS, SALARIES AND WAGES	278.5	313.0	313.0	\$18,254	\$21,043	\$21,462

* Dollars in thousands, except in Salary Range.